



AQOD

**DEFENSE LOGISTICS AGENCY**  
**THE DEFENSE CONTRACT MANAGEMENT COMMAND**  
8725 JOHN J. KINGMAN ROAD, SUITE 2533  
FT. BELVOIR, VIRGINIA 22060-6221

AUG | 1997

IN REPLY  
REFER TO

**MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT  
DISTRICTS**

**SUBJECT: DCMC Memorandum No. 97- 74, Revised Test Program for Negotiation of  
Comprehensive Small Business Subcontracting Plans (POLICY)**

This is a POLICY memorandum. It expires after one year. Target Audience: All  
Contract Administration Offices.

As noted in the May 9, 1997 memorandums from the Under Secretary of Defense  
(Acquisition and Technology) (USD(A&T)), the Comprehensive Subcontracting Plan  
Test Program has been changed to provide for a limited expansion in the number of  
participating contractors (Attachments 1 and 2). The Air Force's Aeronautical Systems  
Center (ASC) previously delegated to DCMC the authority to negotiate plans for 23  
contractors. The Army and the Navy, each of which has two participating contractors,  
have not delegated negotiation authority.

The USD(A&T) memorandums suggest that all of the Military Departments consider  
requesting DCMC to negotiate the plans and request our support if they choose to do so.  
We will advise you of any new delegations beyond those we have already accepted from  
ASC; no new delegations are to be accepted without the approval of DCMC Head-  
quarters. Meanwhile, DCMC Defense Corporate Executives/Administrative Contracting  
Officers should discuss the initiatives identified by USD(A&T) when negotiating FY  
1998 plans with ASC's test program participants. Agreed upon initiatives should be  
incorporated into the resultant comprehensive plans.

Headquarters and District focal points are listed in attachment 3. If you have any  
questions, please contact your District focal point, the DCMC customer liaison to AFMC,  
or the DCMC Headquarters focal point, Mr. Don Reiter, (703) 767-3407 or DSN 427-  
3407. This memorandum has been coordinated with Headquarters, Defense Logistics  
Agency, Small and Disadvantaged Business Utilization.

ROBERT W. DREWES  
Major General, USAF  
Commander

Attachments



ACQUISITION AND  
TECHNOLOGY

THE UNDER SECRETARY OF DEFENSE  
3010 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-3010



MAY 9 1997

MEMORANDUM FOR THE DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Comprehensive Subcontracting Plan Test Program

I request Defense Logistics Agency (DLA) support in negotiating comprehensive subcontracting plans when requested by the Military Departments under the Comprehensive Subcontracting Plan Test Program for contracts that are assigned to DLA for administration.

The Comprehensive Subcontracting Plan Test Program required by Public Law 101-189 waives the requirement for negotiation, administration and reporting on a contract-by-contract basis as required under section 211 of Public Law 95-507. The purpose of the test is to determine whether or not comprehensive subcontracting plans will result in increased subcontracting opportunities for small and disadvantaged businesses while reducing the administrative burdens on contractors. The test program has been changed to allow more contractors to participate. Currently, there are 27 contractors participating in the test, an increase of 19 since the test program was revised. It is not anticipated that many more contractors will request approval to participate.

The Defense Contract Management Command (DCMC) has played an active role in the test thus far, negotiating 23 of the comprehensive subcontracting plans for prime contractors currently participating in the test. Having negotiated the vast majority of the existing comprehensive subcontracting plans, DCMC is uniquely capable of ensuring that future negotiations are conducted in a manner consistent with past negotiations for the limited number of contractors that may request approval to participate in the remaining months of the test. It is anticipated that the Service Acquisition Executives may wish to delegate specific authority to continue negotiation of comprehensive subcontracting plans for the remainder of the test program.

Your support in this important aspect of the test program will help the Department conduct a meaningful test and is greatly appreciated.

*Paul Kaminski*

Paul G. Kaminski



*Attachment 1*



ACQUISITION AND  
TECHNOLOGY

THE UNDER SECRETARY OF DEFENSE  
3010 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-3010



MAY 9 1997

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
ATTN: SERVICE ACQUISITION EXECUTIVES  
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Revised Test Program for Negotiation of  
Comprehensive Small Business Subcontracting Plans

The Comprehensive Subcontracting Plan Test Program (test program), has been changed since its initial implementation. The original test program waived the requirement for negotiation, administration and reporting on an individual contract basis as required under section 211 of Public Law 95-507. In lieu thereof, the test program authorized the negotiation, administration and reporting of subcontracting plans on a plant, division, or company-wide basis as appropriate. The purpose of the test is to determine whether comprehensive subcontracting plans will result in increased subcontracting opportunities for small and disadvantaged businesses while reducing the administrative burdens on contractors. The test program, as changed, provides for an expansion in the number of contractors allowed to participate. Initially, only eight contractors participated in the test. Currently, 27 contractors are participating (attachment 1).

An important aspect of the test program that I believe offers significant potential is the ability to create a dialog between DoD and program participants on major small business issues facing us all. For FY 1998, I have identified the initiatives at attachment 2 to be discussed by contracting officers when negotiating with test program participants. I encourage a frank and open discussion to develop solutions and actions to address these issues. Agreed upon initiatives should be incorporated into the resultant comprehensive subcontracting plan, along with, to the extent possible, measurable metrics.

The Defense Contract Management Command (DCMC) has negotiated and is administering most of the comprehensive subcontracting plans that now exist. In view of DCMC's contract administration capabilities and the significant role that it has played in the negotiation of comprehensive subcontracting plans, DCMC is ideally situated to negotiate comprehensive subcontracting plans for most contractors from which your contracting activities may receive a request to participate in the test program. Therefore, your contracting officers may want to consider requesting DCMC support for these functions.

*Attachment 2*



To ensure the quality of the comprehensive subcontracting plan, the contracting officer, whether at the designated contracting activity or, if delegated, at the cognizant contract administration activity, shall establish a comprehensive small business subcontracting plan negotiating team comprised of representatives identified at attachment 3.

*Paul Kaminski*

**Paul G. Kaminski**

Attachments

## **ORIGINAL COMPREHENSIVE SUBCONTRACTING PROGRAM PARTICIPANTS**

### **ARMY**

Textron Inc., Bell Helicopter Div, Fort Worth, TX (DCMD West)  
McDonnell Douglas Helicopter, Mesa, AZ (now part of McDonnell Douglas Aerospace, St. Louis, MO)

### **NAVY**

Litton Inc., Ingalls Shipbuilding, Pascagoula, MS (Navy)  
Lockheed Martin Tactile Defense Systems, Great Neck, NY (formerly Unisys, Shipboard & Ground Systems Group (DCMD East))

### **AIR FORCE**

\*Boeing, Seattle, WA  
\*Martin Marietta, Aerospace Division, Orlando, FL (formerly Lockheed Martin)  
\*General Electric, Aircraft Engines Group, Cincinnati, OH  
\*Lockheed Georgia Company, Marietta, GA (formerly Lockheed Martin Aeronautical Systems)

## **DCMC NEGOTIATED AIR FORCE COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS**

### **DEFENSE CONTRACT MANAGEMENT DISTRICT EAST:**

Sikorsky Aircraft Corp., Stratford, CT  
AVCO Corp., Textron Inc., Textron Systems Division, Wilmington, MA  
United Technologies Corp., Hamilton Standard Division, Windsor Locks, CT  
Raytheon Company, Electronic Systems Division, Bedford, MA  
United Technologies Corp., Pratt & Whitney, West Palm Beach, FL  
Lockheed Martin Information Systems, Orlando, FL  
Lockheed Martin Aeronautical Systems, Marietta, GA  
Lockheed Martin Electronics & Missiles, Orlando, FL  
Harris Corporation, Melbourne, FL  
Northrop Grumman Corp., Electronic Sensors & Systems Division, Baltimore, MD  
Honeywell Military Avionics, Clearwater, FL  
General Electric Aircraft Engines, Cincinnati, OH

### **DEFENSE CONTRACT MANAGEMENT DISTRICT WEST:**

McDonnell Douglas Aerospace, St. Louis, MO  
Northrop Grumman, Electronics & Systems Integration Div., Rolling Meadows, IL  
Boeing Company, Seattle, WA  
Raytheon E-Systems, Greenville Division, Greenville, TX  
Raytheon E-Systems, Garland Division, Dallas, TX  
Lockheed Martin Tactical Aircraft Systems, Ft. Worth, TX  
Lockheed Martin Vought Systems Corp, Dallas, TX  
Rockwell International Corp., Collins Avionics & Communications Div, Cedar Rapids, IA  
Rockwell International Corp., Communications Systems Division, Richardson, TX  
TRW Space & Defense, Redondo Beach, CA  
Hughes Electronics Corp., El Segundo, CA

*\* These contractors are now covered under the DCMC Negotiated Comprehensive Small Business Subcontracting Plans.*

## **Initiatives - Comprehensive Subcontracting Plans**

- Soliciting at least one small disadvantaged business and one women-owned small business on every competitive solicitation.
- Establishing a home page dedicated to providing information, including procurement opportunities, to potential small business sources and to link this home page to the OUSD(A&T), OSADBU home page.
- Pursuing at least one new subcontract award with an eligible Indian-owned entity in accordance with the Indian Incentive program provisions of FAR Subpart 26.1.
- Entering into at least one new Mentor-Protégé agreement with an SDB that is not part of the program at this time.
- Pursuing at least one minority institution or historically Black college or university to perform as a subcontractor.

## **Negotiation Team Representatives - Comprehensive Subcontracting Plans**

- The contracting officer who will be responsible for negotiation and approval of the comprehensive subcontracting plan as well as the responsibilities at FAR 19.705.
- The designated contracting activity's Small and Disadvantaged Business Utilization (SADBU) Specialist.
- The SADBU Specialist of the cognizant contract administration activity that administers the preponderance of the prime contractor's contracts and/or the appropriate individual who will administer contractor performance under the test.
- A price analyst, production specialist, and/or other functional specialist, as appropriate.
- Additionally, each of the Services that has contracts with the prime contractor should be invited to either participate in the negotiations or coordinate on the proposed plan.

## **COMPREHENSIVE SUBCONTRACTING PLAN FOCAL POINTS**

### **HQ DCMC**

Mr. Don Reiter  
AQOD  
8725 John J. Kingman Rd. #2533  
Ft. Belvoir, VA 22060-6221  
Phone: (703) 767-3407  
Fax: (703) 767-2379

### **DCMC LIAISON TO AFMC**

Ms. Tina Ballard  
AFMC/PKP  
DCMC Customer Liaison  
4375 Childlaw Road, Suite 6  
WPAFB, OH 45433-5006  
Phone: (937) 257-6862  
Fax: (937) 257-7257

### **DCMDE**

Ms. Janice Boscoe  
DCMDE-OTBC  
495 Summer Street  
Boston, MA 02210  
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### **DCMDW**

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### **SMALL BUSINESS**

Mr. David Potter  
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8725 John J. Kingman Rd. #2533  
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### **SMALL BUSINESS**

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### **SMALL BUSINESS**

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